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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91188903
Party	Plaintiff Apple Inc.
Correspondence Address	Joseph Petersen Kilpatrick Stockton LLP 31 West 52nd Street - 14th Floor New York, NY 10019 UNITED STATES migraham@kilpatrickstockton.com, nytrademarks@kilstock.com, agarcia@kilpatrickstockton.com
Submission	Opposition/Response to Motion
Filer's Name	Alicia Grahm Jones
Filer's e-mail	AlJones@kilpatrickstockton.com, JPeterse@kilpatrickstockton.com, JVogel@kilstock.com, agarcia@kilstock.com, ipefiling@kilstock.com
Signature	/Alicia Grahm Jones/
Date	04/01/2010
Attachments	Apple-v-Fabasoftware- Opposition to Applicant's Motion Suspend.pdf (8 pages) (24250 bytes) Apple-v-Fabasoftware- Declaration of G. Hasselblatt in Opposition to Applicant's Motion Suspend.pdf (3 pages)(37713 bytes)

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

In the matter of Application Serial No. 77/460,315

For the mark: APPLSTRUDL

Filed: April 29, 2008

Published: December 16, 2008

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APPLE INC.,	:	
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Opposer,	:	
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	:	Opposition No. 91188903
v.	:	
	:	
FABASOFT AG,	:	
	:	
Applicant.	:	
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OPPOSER’S OPPOSITION TO APPLICANT’S MOTION TO SUSPEND

Opposer Apple Inc. hereby opposes Applicant Fabasoft AG’s motion to suspend the proceedings pending the disposition of unrelated litigation in Germany. Applicant concedes that the litigation in Germany “will not be determinative in this U.S. opposition,” but contends that “it could have an impact on how the parties view their positions in the United States, and could affect settlement.” *See* Docket No. 13. Applicant fails to establish good cause required for a suspension of the proceedings.

As set forth in greater detail below, Applicant’s motion to suspend should be refused because: (1) the decision in the German litigation will not have a bearing on final judgment in this opposition; (ii) the potential for an impact on settlement is not good cause for a suspension; (iii) Applicant’s motion is procedurally untimely as it is not germane to Opposer’s pending Motion to Compel; and (iv) a suspension of the proceedings will severely

prejudice Opposer. Applicant's Motion to Suspend is nothing more than another attempt to delay responding to outstanding discovery and should be denied.

I. BACKGROUND

A. Procedural History of This Opposition

Opposer commenced this proceeding by filing a notice of opposition against Applicant's application to register the mark APPLSTRUDL (Serial No. 77/460,315) on February 13, 2009. *See* Docket No. 1. Applicant's Initial Disclosures were due on May 29, 2009. *See* Docket No. 2. Applicant failed to serve Initial Disclosures before the May 29, 2009 deadline. *See* Declaration of Alicia Grahn Jones ("Jones Dec.") ¶ 2, Docket No. 12. On June 30, 2009, Opposer emailed counsel for Applicant asking when Opposer would receive Applicant's Initial Disclosures. *See id.*, Ex. A. On June 30, 2009, counsel for Applicant advised that he had not received any information from Applicant regarding its Initial Disclosures. *See id.*

On June 25, 2009, Opposer served written discovery, including document requests, requests for admission, and interrogatories, on counsel for Applicant. *See* Jones Dec. ¶ 3, Docket No. 12. Although Applicant's responses to Opposer's discovery requests were due on July 31, 2009, Applicant has yet to serve any response to Opposer's discovery requests or produce any responsive documents. *See id.*

On August 7, 2009, Opposer informed counsel for Applicant that discovery responses were past due and advised that if Opposer did not receive Applicant's responses by August 12, 2009, Applicant would have no choice but to file a motion to compel. *See id.* ¶ 4., Ex. C. Counsel for Applicant failed to respond to Opposer's August 7, 2009 correspondence. *See id.* Accordingly, Opposer had no choice but to file a Motion to Compel on March 10, 2010.

See Docket No. 11. Following Opposer’s filing of its Motion to Compel and without responding to Opposer’s Motion to Compel, Applicant filed a Motion to Suspend the opposition proceedings pending disposition of German litigation between the parties. Docket No. 13.

B. Procedural History of the German Litigation and Settlement Negotiations Between the Parties

In February 2009, Opposer obtained a preliminary injunction against Applicant in Germany requiring Applicant’s subsidiary to cease use of the APPL.STRUDL mark in connection with software and related goods and as a company name of Applicant’s subsidiary because the mark was found to infringe Opposer’s APPLE marks. *See* Declaration of Gordian Hasselblatt (“Hasselblatt Decl.”), ¶ 2. The Hamburg court confirmed the preliminary injunction in a judgment of June 2009. *See id.*¹ In April 2009, the Hamburg court issued a second injunction against Applicant’s subsidiary to cease use of the APP.STRUDL mark. *Id.*

In November 2009, the Hamburg Regional Court ordered Opposer to commence proceedings against Applicant’s subsidiary in connection with its use of the APP.STRUDL mark. *Id.* at ¶ 3. Opposer filed its complaint in December 2009. *Id.* Applicant’s subsidiary has yet to file its statement in defense in the main proceedings and no date for an oral hearing has been set yet. *Id.* (The German proceedings are hereinafter referred to as the “German Litigation”.)

Opposer initiated settlement communications with Applicant in June 2009. *Id.* at ¶ 4. In October 2009, Opposer sent a proposed settlement agreement to Applicant. *Id.* Despite

¹ In November 2009, Applicant appealed the judgment and a final hearing will be held in June 2009. Opposer expects the preliminary injunction to be affirmed once again.

following up with Applicant at least four times, Applicant did not provide any substantive response to Opposer's proposed settlement agreement until March 5, 2010. *Id.* On March 5, 2010, Opposer's German counsel and Applicant's German counsel conferred and it was clear that settlement is not possible at this time. *Id.*

II. ARGUMENT

The Board in its discretion may suspend proceedings on good cause shown based on a motion filed by a party. 37 CFR § 2.117(c); TMEP § 510.03(a). Applicant has not made the requisite showing of good cause and its Motion to Suspend should be denied because: (a) a decision in the German Litigation will not have a bearing on a final judgment or settlement in this opposition; (b) a potential impact on settlement is not good cause for a suspension; (c) Applicant's motion to suspend is procedurally untimely because it is not germane to Applicant's pending Motion to Compel; and (d) a suspension of the proceedings will severely prejudice Opposer.

A. A Decision in German Litigation Will Not Have A Bearing on Final Judgment in This Opposition.

Pursuant to 37 CFR § 2.117(a), the Board may suspend proceedings when the parties are engaged in a civil action or another Board proceeding which may have a bearing on the case. Applicant requests that the proceedings be suspended pending disposition of the German Litigation between the parties. *See* Docket No. 13, Section 1. The German Litigation will not have a bearing on the rights of the parties in this case because it concerns the parties' rights in Germany and, in one case, is addressing a mark different from that at issue here. Indeed, Applicant concedes that the German Litigation "will not be determinative in this U.S. opposition." Docket No. 13, Section 3. If the German Litigation were

determinative, Applicant should be refused registration as its subsidiary is enjoined from use of the APPLSTRUDL mark in Germany.

Because the German Litigation will not have a bearing on final judgment in this opposition, a suspension of the proceedings is not appropriate.

B. A Potential Impact on Settlement is Not Good Cause for Suspension.

As an initial matter, Opposer has attempted to engage Applicant in settlement negotiations for nearly a year, but Applicant has been largely non-responsive. *See* Hasselblatt Decl. ¶ 4. Because of Applicant's dilatory practices in this proceeding, the German Litigation, and settlement discussions, Opposer has no choice but to vigorously pursue its claims. Because the German Litigation has no bearing on this proceeding, it also will have no bearing on settlement in this proceeding.

Even if there were a possibility that the German Litigation would have an impact on settlement in this proceeding—which it will not—the *possibility* of an impact on settlement is not good cause for a suspension. In fact, the Board has ruled that the existence of settlement discussions does not justify a party's inaction or delay. *See Atlanta-Fulton County Zoo, Inc. v. DePalma*, 45 U.S.P.Q.2d 1858, 1859 (TTAB 1998) ("Parties engaged in proceedings before the Board frequently discuss settlement, but the existence of such negotiations or offers, without more, does not excuse them from complying with the deadlines set by the Board or imposed by the rules.") While the Trademark Rules allow for the suspension of the proceedings pending active settlement discussions, the Rules do not allow one party to initiate a suspension because settlement discussions might occur at some indefinite time in the future. Indeed, Applicant cites no law in its motion as there is no basis in the Trademark Rules or case law for the requested suspension.

C. Applicant's Motion is Procedurally Untimely.

In accordance with 37 CFR § 2.120(c)(2), upon filing a motion to compel, the Board will issue an order suspending all proceedings with respect to all matters not germane to the discovery dispute and no party should file any papers not germane to the discovery dispute.² 37 CFR § 2.120(c)(2). Applicant's Motion to Suspend pending the outcome of the German Litigation is not germane to the discovery dispute that is the subject of Opposer's Motion to Compel. To the contrary, its sole purpose is to delay the Board's consideration of the merits of Opposer's Motion to Compel. For this reason alone, Applicant's Motion to Suspend should be denied.

D. Suspension of the Proceedings Will Severely Prejudice Opposer.

In the absence of active settlement negotiations between the parties—which Applicant has refused to engage in—Opposer will be severely prejudiced by a suspension of the proceedings. Specifically, it could be years before there is a final judgment in the German Litigation, which will not even have a bearing on the final judgment in this opposition. Thus, a suspension would deprive Opposer of its right to actively prosecute this case.

III. CONCLUSION

For all of the foregoing reasons, Opposer respectfully requests that the Board deny Applicant's Motion to Suspend and proceed with its consideration of Opposer's Motion to Compel.

² When a formal order of suspension is entered based on the filing of a Motion to Compel, it is the Board's practice to make the suspension effective as of the date the motion was filed.

This the 1st day of April, 2010.

KILPATRICK STOCKTON LLP

By: /s/ Alicia Grahm Jones

Joseph Petersen

Alicia Grahm Jones

31 West 52nd Street, 14th Floor

New York, New York 10019

Telephone: (212) 775-8715

Facsimile: (212) 775-8800

Attorneys for Opposer Apple Inc.

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FABASOFT AG,	:	
	:	
Applicant.	:	
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing OPPOSER'S
OPPOSITION TO APPLICANT'S MOTION TO SUSPEND has been served on counsel for
Fabasoft AG by depositing said copy with the United States Postal Service as First Class Mail,
postage prepaid, in an envelope addressed to:

Stewart J. Bellus
Collard & Roe, P.C.
1077 Northern Blvd
Roslyn, NY 11576-1614

This the 1st day of April, 2010.

/s/ Alicia Grahm Jones

Alicia Grahm Jones
Attorney for Opposer Apple Inc.

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	:	
Applicant.	:	
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**DECLARATION OF GORDIAN HASSELBLATT IN SUPPORT OF OPPOSER'S
OPPOSITION TO APPLICANT'S MOTION TO SUSPEND**

I, Gordian Hasselblatt, declare as follows:

1. I am an attorney at the law firm of CMS Hasche Sigle in Germany and represent Opposer Apple Inc. ("Opposer") in actions against a subsidiary of Applicant Fabasoft AG ("Applicant") in Germany. I am over the age of twenty-one, I am competent to make this Declaration, and the facts set forth in this Declaration are based on my personal knowledge.

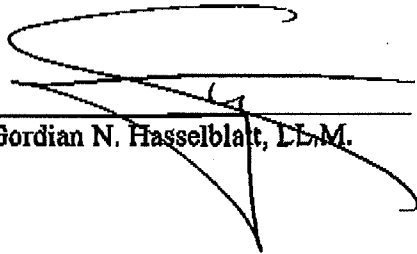
2. In February 2009, Opposer obtained a preliminary injunction against Applicant in Germany requiring Applicant's subsidiary to cease use of the APPL.STRUDL mark in connection with software and related goods and as a company name of Applicant's subsidiary because the mark was found to infringe Opposer's APPLE marks. The Hamburg court confirmed the preliminary injunction in a judgment of June 2009. In April 2009, the Hamburg court issued a second injunction against Applicant's subsidiary to cease use of the APP.STRUDL mark.

3. In November 2009, the Hamburg Regional Court ordered Opposer to commence proceedings against Applicant's subsidiary in connection with its use of the APP.STRUDL mark. Opposer filed its complaint in December 2009. Applicant's subsidiary has yet to file its statement in defense in the main proceedings and no date for an oral hearing has been set yet.

4. Opposer initiated settlement communications with Applicant in June 2009. In October 2009, Opposer sent a proposed settlement agreement to Applicant. Despite following up with Applicant at least four times, Applicant did not provide any substantive response to Opposer's proposed settlement agreement until March 5, 2010. On March 5, 2010, Applicant's German counsel and I conferred and it was clear that settlement is not possible at this time.

I declare under penalty of perjury of the laws of the United States that the foregoing is true and correct.

Dated: April 1, 2010



Prof. Dr. Gordian N. Hasselblatt, LL.M.

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing DECLARATION OF GORDIAN HASSELBLATT IN SUPPORT OF OPPOSER'S OPPOSITION TO APPLICANT'S MOTION TO SUSPEND has been served on counsel for Fabasoft AG by depositing said copy with the United States Postal Service as First Class Mail, postage prepaid, in an envelope addressed to:

Stewart J. Bellus
Collard & Roe, P.C.
1077 Northern Blvd
Roslyn, NY 11576-1614

This the 1st day of April, 2010.

/s/ Alicia Grahm Jones

Alicia Grahm Jones
Attorney for Opposer Apple Inc.